

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA,) CASE NO.: 1:20-CR-798
)
Plaintiff,) JUDGE SOLOMON OLIVER, JR.
)
v.)
)
ARTHUR FAYNE,) <u>JOINT PROPOSED STATEMENT OF</u>
) <u>THE CASE</u>
Defendant.)

The United States of America, by and through its counsel, Rebecca C. Lutzko, United States Attorney, and Brian McDonough and Vanessa V. Healy, Assistant United States Attorneys, and Myron P. Watson, Attorney for Defendant Arthur Fayne, respectfully submit to the Court the proposed statement of the case attached hereto.

Respectfully submitted,

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United States Attorney

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JOINT STATEMENT OF THE CASE

In this case, Defendant ARTHUR FAYNE is charged with nine counts of Wire Fraud.

Mr. Fayne owned Business Development Concepts, LLC (“BDC”) an Ohio company and oversaw construction projects and the purchase of equipment, supplies, and inventory for the projects.

Northeast Ohio Neighborhood Health Services, Inc. (“NEON”) was an Ohio nonprofit corporation that operated as a federally qualified health center network of community health centers and provided primary care medical services for adults and children in the Cleveland, Ohio area.

Community Integrated Services, Inc. (“CIS”) was the for-profit Ohio subsidiary company of NEON.

The East Side Market was a project sponsored by NEON to redevelop a vacant building into a grocery store and community center in the Glenville neighborhood.

The Albert M. Higley Company (“AM Higley”) was an Ohio company and the general contractor for the East Side Market project. Crescent Digital was an Ohio company that installed audio-visual technology equipment at the East Side Market.

The United States alleges that Defendant defrauded NEON and CIS by diverting \$759,105.92 in payments owed to AM Higley and \$125,923.86 in payments owed to Crescent Digital, to BDC for his own use, which included gambling at the JACK Cleveland Casino and making personal expenditures.

Mr. Fayne denies the allegations in the indictment.